

Upcoming Dates

- ✓ **MDT Bid Letting**
Helena, MT - December 2, 2004
- ✓ **MDT MSU Conference**
Bozeman, MT - January 3-7, 2005
- ✓ **MDT Construction Permitting 101**
Helena, MT—January 19, 2005
- ✓ **MDT Erosion Control Introductory**
Helena, MT - January 20, 2005



Lisa Durbin, MDT Construction Bureau,
DBE Conference, November 2004, Helena

Way to Go!

NOVEMBER MDT HIGHWAY BID LETTING

JTL Group—Billings
13.22% DBE participation
1st Avenue Main to 12th-Laurel

Montana Materials dba LS Jensen
14.84% DBE participation
Brooks/South/Russell-Missoula

Contractor Participation at MDT- Sponsored Events

Riverside Contracting - “Dwayne Rehbein” and **Frontier West** - “Mike Murphy” were speakers at the Polson Contractor Workshop sponsored by DBE Supportive Services.

Century Companies, Inc. - “Marny Harrison” - Prime Contractor Role Model Participant in networking class at DBE conference.

The following companies participated in the Networking Session with DBE Companies after the November 4th bid letting:

Sletten Construction - Jim Wickens, **Riverside Contracting** - Dennis Rehbein,
EH Oftedal & Sons - Donna Taylor and Tom Evans & **Marny Harrison** - Century Companies

THANK YOU

*FOR STEPPING UP AND SHOWING “GOOD FAITH EFFORTS” TO PARTNER
WITH MDT TO BUILD AN EFFECTIVE DBE PROGRAM IN MONTANA.*

MONTANA DBE COMPANY MONTHLY UPDATE

Newly Certified DBE Companies

Digital Information Solutions, LLC	Shawn Todd	Summit, MO	Telecommunications, Computer Hardware/Software Reseller
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Re-Certified DBE Companies

Kirkness Roofing	Roger Cummings	Billings, MT	Roofing and roofing supplies
Lynda Friesz Public Relations	Lynda Friez	Boise, ID	Consulting—Public involvement, transportation issues
Beck Consulting	Barb Beck	Red Lodge MT	Consultant—Management and Communication Training, Public Facilitator
Specialty Sales, Inc.	E.J. Cruickshank	Maple Grove, MN	Supply aggregate material, manufacture diamond blades
Burtch Construction	Janet “Tiny”Burtch	Dixon, MT	Truck Hauling, Road Construction
Omo Construction	Ron Omo	Billings, MT	Guardrail, traffic control, pipe
McDevitt Associates, Inc.	Pamela McDevitt	Billings, MT	Consulting-Environmental Impact statements and assessments, Wetland Mitigation.
Beard Environmental & Technical Assistance	Rebecca Beard	Elliston, MT	Technical report and grant writing public involvement in community development

Withdrawn From DBE Program

Forest Rehab	Fran Peterson	Libby, MT
KLLyncoln, Inc.	Karen Lyncoln	Roundup, MT

ANNOUNCEMENTS

An **Orange Sticker** is now on
MDT Monthly Bid CD mailing



REMINDER

Use the “Online DBE Quote Request”

It's Quick and Easy, just go to
www.mdt.state.mt.us/civilrights/quotereq.shtml

2004 DBE BUSINESS OR TRAINING REIMBURSEMENT REQUESTS

Use your reimbursement funds of \$600 now before time runs out. Tell Rebecca now how you want to use the money. You must incur the expense in 2004 to use these funds. **Use it or lose it!** You have until January 31, 2005 to get your paperwork to the DBE Supportive Services office for reimbursement. The form is posted on the program's web site or call 800-883-5811 and we will fax or email you a form.

GET BUSY AND USE THIS MONEY!!

As Read MDT November 4, 2004 Bid Letting Results

Project No.	Prime Contractor	Low Bid	DBE	
			Participation \$ / %	
STPS 324-1(4)13 / SFCS 324-1(2)21 Grant West	Jim Gilman Excavating, Inc.	\$6,382,495	\$241,076	3.78%
CM-STPU 0002(693) / STPP 7-2(39)91 Brooks/South/Russell Intersection	Montana Materials DBA LS Jensen	\$3,794,004	\$562,975	14.84%
STPHS 205-1(26)26 Safety Improvement West of Bozeman	JTL Group, Inc. - Belgrade	\$ 971,061	\$24,612	2.53%
BR 446-1(3)0 Rosebud Creek	TCA, Inc.	\$ 504,738		
NH 57-5(30)159 Culverts - Mosby East	Sierra Rock & Dirt, Inc.	\$ 469,286		
STPU 1405(3) / STPU 1406(2) Lincoln Avenue - Central to 6th St	Franz Construction, Inc.	\$ 384,071		
CM 6901(3) / CM 6906(3) 1st Avenue - Main to 12th - Laurel	JTL Group, Inc. - Billings	\$ 256,689	\$33,942	13.22%
CM 7406(5) / CM 7410(2) Chinook to K St. - Livingston	JTL Group, Inc. - Belgrade	\$ 402,320	\$24,068	5.98%
CM 0204(4) 4th - Hickory to RRxing - Anaconda	Hollow Contracting	\$ 326,768	\$25,207	7.71%
CM-STPU 7403(6) 5th & Park - Livingston	Montana Lines, Inc.	\$ 126,408	\$113,748	89.99%
BR 9037(21) Coulee - 3KM SW of Conrad	J and S Construction, Inc.	\$ 187,179		
NH 8-2(64)43 Signal Benton & Lyndale - Helena	Scott Construction, Inc.	\$ 100,000	\$100,000	100%

CHANGES TO PRIME BIDDING PRACTICES

MDT will no longer be supplying a floppy disk with electronic bid files to prime bidders unless requested with a \$5.00 charge. Primes should use MDT's website to download bid files and get current addenda. Bid files are also available on the monthly bid CD's at no cost. Check the MDT Contract System website at <http://www.mdt.state.mt.us/contract/> for bid files and addenda.

Prime bidders are still responsible to submit a bid floppy disk, so save your bid files to a floppy disk with your company name and call number of the projects on the label. Include the floppy disk with a hard copy of your bid.

Yellow addenda sheets nor the addenda disk will no longer be sent out when an addenda is issued. There is a fee of \$8.00 for a hard copy of addenda. Addenda information is available on the MDT Contract System website at no charge.



WORKSHOPS



We recently held two workshops and the annual DBE Conference. Summaries of each event is provided. DBE Companies - Please take the time to assess your business needs and let Rebecca or Elaine know what training your company needs or how the program can better serve you. The DBE Supportive Services office listens to you for ideas. Tell us what you need.

REMEMBER— this program is YOURS and without YOUR INPUT it will not grow to the potential it can.

Contractor Workshop—Polson

MDT Supportive Services office (Rebecca Johnson and Elaine Arterburn) along with Confederated Salish & Kootenai Tribal Indian Preference Office (Lissa Peel) presented a workshop to inform local subcontractors of the opportunities on Highway 93 and requirements of highway construction work. The workshop was held in Polson on October 26, 27, 28, 2004.

Participants learned of upcoming projects in that area over the next several years, contractor registration, bonding, insurance, financing, business resource agency introductions, DOT short term loan program, equipment safety inspections, over-size permits, special fuel user permit, DBE certification, MDT bidding process, pre-bid conference, gross receipts tax, projects on Indian reservations, preconstruction meetings, material certifications, EEO submittals, certified payrolls, working on MDT projects, working for prime contractors, and environmental permits. A highway contractor binder was developed for this workshop. Call us if you would like a copy of the binder.

Speakers included: Carol Cunningham, Salish & Kootenai Business Center; Shannon Whiteman, National Center for American Indian Enterprise; Doug Bolender, Montana PTAC; Tim Lightborne and Gary McFerrin, Cogswell Agency; Dean Jones and Mark Cyr, MDT Missoula District; Dwayne Rehbein, Riverside Contracting; Mike Murphy, Frontier West; Rose Leach and Rich Janssen, Salish & Kootenai Environmental Office; Franics Auld, Salish & Kootenai Cultural Resources; Tony Incashella; Joel Clairmont; and Vicky Koch, MDT Civil Rights Bureau.

Francis Auld,
Salish & Kootenai
Cultural Resources



Dwayne Rehbein, Riverside, Mike Murphy, Frontier-West,
Mark Cyr & Dean Jones, MDT Missoula District



Participants working hard at learning certified payrolls

DBE Conference Highlights

DBE Conference was held on November 4-5 in Helena. The conference gave DBE companies the opportunity to network with each other and discuss ideas. DBE Supportive Services will work hard to implement training suggestions (teaming, conflict management, understanding contract language, negotiating, and personnel management). The office will also work hard to address the issues of participation by prime contractors and engineering firms in the DBE program; and promotion of DBE program (yearly report and DBE company profile summary, and one-line description of program).

Networking and negotiating training was provided by New West Strategies (Rick L'Heureux and Meeta Goel). Know your team's personalities – the inventory helps you understand the different personality dynamics of the team, to turn a diverse group of people into an empowered, smoothly functioning team by knowing your team's personality makeup. Blank inventory forms are available upon request. DBE companies worked together as teams in a networking session to learn the power of networking.

Joe Bower with Business Resource Center provided information on small town marketing. Here is some tips on this subject: Find the friendliest person in town and get to know them. Learn as much as possible about your town. Learn as much as you can about your business, customers, and competitors. Spend 20 minutes a day reading about something in your industry. Customer services starts at the top. "Word of Mouth" can make or break your business. Follow-up on every sale is crucial. You must face customer complaints and deal with them. When you show your customers how much you appreciate them, they will promote your business for you. Joe also provided a Business Plan Outline (available upon request).

MDT Construction Bureau Organizational Chart and Contact List were provided by Lisa Durbin, Construction Administration Services Engineer during her presentation with Bill Fogarty, Butte Construction Reviewer. Lisa thought MDT would perform approximately \$240 million in highway construction this fiscal year. It was stated that the prime contractor is obligated to have a competent supervisor on the project at all times – if not, let MDT know. Tom Martin with MDT Consultant Design talked to the DBE companies about consulting opportunities, selection process, and problems facing small businesses working for MDT.

John Donovan with Headwaters RC&D provided excellent business tools re: cash flow. Each attendee will receive a CD with cash flow, breakeven, 3 year profit, depreciation, amortization. etc. **Some tips from John:** Computerize your business – especially cash flow – it is a great "what if" tool. If your cash flow continues to go down, you have a problem. A cash flow spreadsheet will help you recognize problems early. Cash Flow will also help you determine how much line of credit you will need from the bank. Know when the prime gets paid from the state. Bill for maximum amount of stored materials. Delay cash disbursements – pay only when bill is due. Don't buy equipment you don't need – "Yellow Iron Disease." Keep detailed records – this will equal dollars when you get into a dispute. John provided information sources to use when determining projections.

Bill Phillips with Phillips Environmental inspired the audience with stories about his hard work and commitment to become successful. He was handed lots of barriers to succeed, but believed in his vision for his company and made many sacrifices. He stated you must find your partners and build a team that compliments you and believes in your company. Don't be shy in seeking assistance for your company - talk to everyone about your business. Don't forget to have fun - love what you are doing!



Bill Phillips,
Phillips Environmental



Marny Harrison,
Century Companies



Bill Fogarty,
MDT Butte District

MDT HIGHWAY CONSTRUCTION PROJECTS

Invitation for Bids, Letting of December 2, 2004

Sealed bids on the following projects will be received by the Montana Department of Transportation-Highways Division, Contract Plans Bureau, Room 101, 2701 Prospect, Helena, Montana until 9:00 a.m. on December 2, 2004, the bids being publicly opened and read thereafter at 10:00 a.m. in the Department's auditorium.

Bid proposals, plans, cross-sections, dirt runs & erosion control plans if available, and full instructions to bidders are on file for examination and may be obtained from the Contract Plans Bureau. These documents may be requested by FAX (406)444-7236, (see enclosed order form) by mail or by calling (406) 444-6216, 6212, 6215 or TTY 444-7696 All bid documents are available for downloading and/or printing at no charge at the following web site: <http://www.mdt.state.mt.us/contract/> under the "Letting Info" drop-down and "Bid Packages" link. Additional bid letting information is also available on this web site.

1. Polson – East Federal Aid Project No. STPP-NH 52-1(20)0

Grading, gravel, PCCP, plant mix surfacing, lighting, signals, drainage, storm drain and landscaping on 6.2 kilometers on the Polson – East project on US 93 and MT 35, in Lake County. Mandatory Pre-Bid Conference is November 16, 2004. The Disadvantaged Business Enterprises' contract goals are 6.5%.

2. Safety Improvements – No. of Helena Federal Aid Project No. STPHS 5809(19)

Plant mix bituminous surfacing, seal and cover, crushed base course, curb and gutter, storm drains, signing and pavement markings, traffic signal and bridge widening over the Helena Valley. The Disadvantaged Business Enterprises' contract goals are 0.0%.

3. Bridger Creek – 3 km NE of Bozeman Federal Aid Project No. BR 86-1(25)3

Grade, gravel, plant mix surfacing and construction of a 25-meter concrete slab structure on the Bridger Creek – 3 km Northeast of Bozeman project in Gallatin County. The Disadvantaged Business Enterprises' contract goals are 0.0%.

4. Main St. Improvements – Laurel Federal Aid Project No. CM-STPU 6904(1)

Sidewalks, curb and gutter, plant mix bituminous surfacing, drainage, sidewalk or trees and decorative lighting on the Main St. Improvements – Laurel project in Yellowstone County. The Disadvantaged Business Enterprises' contract goals are 0.0%.

5. Slide Repair – NE of Hilger Federal Aid Project No. STPP 43-1(21)21

Slope stabilization consisting of trench excavation and stepped slope embankment construction on the Slide Repair – NE of Hilger project in Fergus County. The Disadvantaged Business Enterprises' contract goals are 0.0%.

Quote of the Month

"If money is your hope for independence you will never have it. The only real security that person will have in this world is a reserve of knowledge, experience and ability."

Henry Ford

FAR Audit Workshop Highlights

The course covered general accounting requirements and basic accounting concepts for cost basis contracts under FAR 31.2.

Segregation and accumulation of direct and indirect labor costs; Determination of an allowable overhead rate and review of unallowable overhead costs; Accounting requirements for the billing of direct non-salary expenses on government contracts and effects on the overhead rate and was well received by the attendees. The overall consensus was that the attendees gained a better understanding of the FAR regulations, in-depth knowledge and how they apply.

The instructor, Don Strizki, was complimented on his knowledge of FAR's and ability to address the concerns. Tom Erving-IAU and Tim Conway-Consultant Design Bureau (CDB) represented MDT. Tom explained the IAU's role, explained why the audit was needed and what MDT looks at and provided the website locations of MDT's requirements and other resources such as the AASHTO Audit Guide. Tim explained the Consultant Services Procedures (CSP) require a current FAR audited overhead rate.

Issues:

1. CDB explained the FHWA ceiling is \$100,000, the \$20,000 ceiling is state law. It would require legislation to increase to \$50,000.
2. Concerned about the confidentiality of financial records being disbursed amongst primes—suggested to submit an overhead to MDT and have it approved for all other contracts that firm would be involved in.
3. Question came up on Comp Time for non-government employees. The issue was discussed with the DBE Program Manager-Rebecca Johnson, who will follow up with the answer.
4. Facilities Cost of Capital was briefly discussed as to the allowability and process of how to calculate it.
5. SAS 99 – the requirements to be implemented in 2006 were discussed by Don, who stressed more questions will be asked if management and employees are aware of fraud and questionnaires are asked to be completed. These are questions that have to be asked.

The relationship of the prime consultant and sub consultant was explained. The sub consultant must do all its dealings with prime, because they are contractually obligated to the prime, not the Department. It is up to the prime to get the proper financial information from sub consultant. MDT has an agreement with the prime. The CDB contract needs to be revised to address requirements resulting from revising the Consultant Services Procedures.

Don Strizki, CPA CFE—Presenter - FAR Audit Workshop—Billings



Consultants from Montana, Idaho, Wyoming and Oregon

MDT Civil Rights Bureau

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